

Application for Innovation Zone Grant  
Kitsap Economic Development Council

“Cultivating Marine-Related Enterprise and Education on Hood Canal”

INTRODUCTION:

The Kitsap Economic Development Council (KEDC) is the grant applicant and will serve as the fiscal agent. KEDC will be the project manager and play a leading role in mobilizing resources, staging events, and tracking progress.

COMPONENTS:

1. Innovation Zone Description:

The geographic boundary of the proposed Innovation Zone spans the entire Hood Canal Watershed. It runs from Port Gamble in North Kitsap County south to Shelton in Mason County. Collectively these two counties have over 600 miles of pristine shoreline replete with valuable marine fauna.

The three campuses of Olympic College - Poulsbo, Bremerton and Shelton - will serve as the “spine” of the education and workforce development infrastructure associated with the Zone. Olympic College is also a partner in the Marine Center of Excellence Initiative.

The industry focus will be on enterprises associated with a marine cluster to include recreational and commercial fishing; aquaculture; environmental engineering and services; water quality management; marine engineering, and alternative energy (wave and tide). The area already includes a critical mass of cluster-related activities and enterprises. A thorough exploration of the education and workforce development needs of this population would do much to strengthen the cluster.

The proposed Zone will be enriched by the diversity of scientific and engineering disciplines associated with enterprises in this cluster and the opportunity for collaborations that can leverage R & D initiatives and encourage innovative practices. These disciplines include oceanography, hydrology, meteorology, geology, marine engineering, biochemistry, and microbiology.

The proposed zone will benefit from a pattern of collaboration that already exists in the area. Marine skills panels have been underway for several years under the auspices of the Olympic Peninsula Economic Partnership. The Olympic Regional e-Development Initiative drew seven counties together from 2003-2005 to explore and leverage for business development purposes local telecommunications and information technology assets. More recently a similar seven county coalition, the Northwest Enterprise Development Alliance, made application for a WIRED grant. Although the Alliance was not a grant recipient, the collaboration generated a number of innovative economic development strategies that might well be applied in the context of an Innovation Zone. **Principal** and potential collaborators are listed below:

(i) **Olympic College:**

- WSU Extension – Community and Economic Development
- University of Washington – Sea Grant Program
- Still Waters Environmental Education Center
- Island Wood Environmental Center
- Bainbridge Graduate Institute
- Northwest Indian College

(ii) **Weston Environmental Solutions** – Port Gamble

- Art Anderson Associates – Bremerton
- Taylor Shellfish - Shelton
- Water Environmental Services – Bainbridge Island
- Olympic Property Group (Pope Resources) – Poulsbo
- Ocean Spar Technology – Bainbridge Island
- Advanced Acoustic Concepts - Bremerton
- Paladin Data Systems (Interlocking Software) – Poulsbo
- Alderbrook Resort - Union

(iii) **Port of Bremerton**

- Kitsap Sustainable Energy and Economic Development (SEED)
- Hood Canal Coordinating Council
- Suquamish Tribe
- Port Gamble-S’Kallam Tribe
- Skokomish Tribe
- WA - Department of Ecology (DOE)
- WA - Community Trade & Economic Development (CTED)
- WA - Department of Fish and Wildlife
- US Navy
- NOAA

(iv) **Olympic Workforce Development Council (OWDC)**

- Washington State Employment Security Department (ESD)
- Career & Technical Education (CTE) directors at local school districts

(v) **Kitsap Economic Development Council**

- Mason County EDC
- Chambers of Commerce
- Visitor & Convention Bureaus
- Washington Technology Center

**2. Strategies for defining the zone boundary:**

The strategy is based upon the identification of commercial enterprises located on or in the vicinity of the shorelines or that otherwise have a stake in the quality of the marine environment and relevant watersheds associated therewith. Beyond their common drive for profitability and business success, these enterprises have a shared commitment to preserve and enhance environmental quality. Such a commitment will stimulate R&D activity in the Zone and attract other enterprises with similar mandates and ambition.

There are active within the proposed zone various industry groups and environmental conservation organizations from which information about potential players can be garnered. More to the point they also have a history of collaboration on business and economic development issues and environmental stewardship. These groups include:

- Puget Sound Restoration Fund
- Hood Canal Coordinating Council
- Pacific Shellfish Growers Association
- Hood Canal Salmon Enhancement Group
- Liberty Bay Foundation

Pursuant to their respective permitting and regulatory mandates, WA Departments of Ecology and Fisheries, and the Corp of Engineers have public records from which we might extract information about enterprises we should target for participation. There are also numerous environmental interest groups that with industry contact list that might be tapped for additional participation.

*Deliverable-A: Strategy for applying Hood Canal Innovation Zone framework to other collaborations around the state.*

**3. Resources that will foster economic activity:**

To foster economic activity within the Zone will require effecting some combination of the following activities or outcomes:

- The capacity to attract and retain talent
- Access to capital
- Favorable regulatory and tax environment including incentives and abatements
- Advanced telecommunications and broadband infrastructure
- Responsive education and workforce development programs
- Convenient access to sophisticated business services and support
- Energetic and reliable business networking and collaborations platforms
- Ready access to markets and supply chains
- Structured “Zone” marketing and public relations
- Efficient transportation and logistics infrastructure

Baseline information about labor markets and skill issues in the proposed zone will be secured from the following agencies:

- Employment Security
- Olympic Workforce Development Council
- Pacific Mountain Workforce Consortium
- Marine Center of Excellence
- Puget Sound Regional Council
- Hood Canal Coordinating Council

We will obtain from target employers survey data associated with their position classification schemes, staffing and recruiting practices, and employee development policies. This data will be correlated with information provided by our education and workforce development partners about their offerings and assets. This information will be aggregated to develop a profile of the Zone’s labor market dynamics to include talent attraction and a framework for relevant workforce development initiatives.

*Deliverable-B: Identification and linking of specific resources necessary to facilitate innovation in the Zone.*

4. Technology advances to improve competitiveness:

A “Technology Assessment Task Force” will be established to explore ways in which innovative technology can be attracted to or otherwise developed in the Zone to create competitive advantages for local enterprises. At least the following collaborators in concert with select enterprise executives will serve on this task force:

- Washington Technology Center
- Olympic College
- WSU Extension
- University of Washington – Sea Grant

*Deliverable-C: Specific technological advances critical to the economic prosperity of the principal enterprises in the Hood Canal Innovation Zone.*

5. Defining public policy options in support of workers and industries:

A series of public policy forums will be held throughout the Zone to explore ways in which innovative technology can be attracted to or otherwise developed in the Zone to create competitive advantages for local enterprises. At least the following collaborators in concert with select enterprise executives will serve on this task force:

- KEDC (lead)
- Washington Technology Center
- WA-ESD
- WA-DOE
- Olympic Workforce Development Council
- Port of Bremerton – Kitsap SEED
- Olympic College
- CTED

*Deliverable-D: Recommendations for policy changes at the State level that would promote innovation in one of more Zones.*

6. I anticipate the total cash matches from a combination of principal collaborators and other interested parties to be \$5000. The target for in-kind contributions in the form of staff time and miscellaneous administrative services is \$5000.

<u>CONTRIBUTOR</u>	<u>CASH</u>	<u>IN-KIND</u>
KEDC	1500	3000
Port of Bremerton (Kitsap SEED)	1000	1000
Olympic College	1500	1000
WSU Extension	<u>1000</u>	<u>1000</u>
TOTAL:	\$5000	\$5000